

### REMARKS

Reconsideration of this application is respectfully requested in view of the foregoing amendment and the following remarks.

Claim 1 was pending in this application. In the Office Action, claim 1 was rejected under 35 U.S.C. § 102(e) as being anticipated by US Patent 6,698,020 B1 to Zigmond, et al. ("Zigmond").

In the present Amendment, claim 1 has been amended to recite additional features of the present invention. Claims 2-15 have been added. The newly added claims are directed toward a system and method for dynamic insertion of personalized ads into a digital broadcast stream. As such, they are believed to be fully supported by the specification and are believed not to raise issues that require new search or add new matter.

A distinguishing feature of the present invention, as recited in claim 1, is a method to insert personalized ads into a digital streaming broadcast that is transmitted to a player that can play the broadcast as a live stream or as a prestored stream ("wherein the computer system is configured to pre-store and transmit on demand the digital broadcast stream"). Support for this amendment can be found for example, on page 5, lines 19-20.

Zigmond teaches a system for inserting advertisements into video programming feeds (abstract). An ad source transmits an ad to an ad insertion device for display on a user display (see Figure 3, elements 62, 60, and 58). Zigmond further teaches sending the video programming feeds from a national broadcaster, cable network, or satellite provider (Figure 7). However, nowhere does Zigmond teach or fairly suggest the method of claim 1 for dynamically

inserting advertisements into a digital broadcast stream, where the broadcast stream can be prestored and transmitted with the inserted ads on demand ("wherein the computer system is configured to pre-store and transmit on demand the digital broadcast stream"). On the contrary, Zigmond teaches a video programming feed that is transmitted from the broadcast source (item 50, Figure 3) to a household display (item 61, Figure 3). The invention of Zigmond provides for the display 50 to toggle between the programming feed being received from source 50 and an ad to be inserted, by using a switch (item 68, Figure 4). Nowhere does Zigmond teach prestoring the program feed for transmission on demand. Accordingly, upon entry of the present Amendment, Applicants respectfully submit that claim 1 will be patentable over Zigmond.

Similarly, newly added claim 8 recites an ad insertion system that can insert a personalized ad in a pre-stored broadcast that is transmitted on demand ("wherein the media player is configured to receive the personalized advertisement for playing within a prestored digital broadcast stream that is transmitted on demand"). Finally, newly added claim 15 recites a method for providing a digital broadcast stream with dynamically-inserted advertisements upon request, where the broadcast stream can be pre-stored for on-demand transmission ("wherein the requested ad is dynamically inserted into a broadcast stream that is pre-stored and transmitted upon demand"). Accordingly, for the foregoing reasons, claims 8 and 15 should also be patentable over Zigmond.

At least for the foregoing reasons, dependent claims 2-7 and 9-14 should also be allowable.

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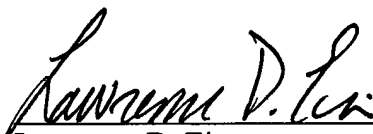
In view of the foregoing all of the claims in this case are believed to be in condition for allowance upon entry of the present Amendment. Should the Examiner have any questions or determine that any further action is desirable to place this application in even better condition for issue, the Examiner is encouraged to telephone applicants' undersigned representative at the number listed below.

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